

HOUSE BILL NO. 1507

Introduced by

Representatives Sitte, Keiser, Martinson

Senator Kringstad

1 A BILL for an Act to create and enact a new chapter to title 43 of the North Dakota Century
2 Code, relating to the registering of home inspectors; and to provide a penalty.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1.** A new chapter to title 43 of the North Dakota Century Code is created and
5 enacted as follows:

6 **Definitions.** As used in this chapter, unless the context otherwise requires:

- 7 1. "Client" means a person that engages or seeks to engage the services of a home
8 inspector for a home inspection.
- 9 2. "Home inspection" means the process by which a home inspector provides a
10 nonintrusive, visual examination and written evaluation of the heating system,
11 cooling system, plumbing system, electrical system, structural components,
12 foundation, roof, masonry structure, and exterior and interior components of a
13 residential building. The term does not include an examination of items that are
14 concealed or not readily accessible or identification of concealed conditions or
15 defects.
- 16 3. "Home inspector" means an individual registered under this chapter to conduct
17 home inspections.
- 18 4. "Registrar" means the secretary of state.
- 19 5. "Residential building" means a structure consisting of not more than four family
20 dwelling units.

21 **Home inspector registration required - Penalty.** The registrar shall issue and renew
22 registrations to home inspectors pursuant to this chapter. An individual may not perform a
23 home inspection for compensation unless registered under this chapter. An individual who
24 violates this chapter is guilty of a class B misdemeanor.

1 **Registering of home inspectors.** An applicant for a registration as a home inspector
2 shall file a written application in the form prescribed by the registrar. An applicant:

- 3 1. Must be at least eighteen years of age;
- 4 2. Shall submit proof of current errors and omissions insurance coverage; and
- 5 3. Shall pay a fee of two hundred dollars.

6 **Exceptions to registration requirements.** The registration requirements of this
7 chapter do not apply to:

- 8 1. An individual employed as a code enforcement official by the state or a political
9 subdivision when acting within the scope of that employment.
- 10 2. An individual licensed, certified, or registered under this title when acting within the
11 scope of practice of that individual's profession or occupation.
- 12 3. An individual engaged as an insurance adjuster when acting within the scope of
13 that engagement.

14 **Renewal of registration.** A registration issued under this chapter expires June thirtieth
15 of each calendar year and may be renewed upon submission of a renewal fee of fifty dollars
16 and provision of proof of continuous insurance coverage as required for registration. The
17 application for renewal must be postmarked before July first of each year. The registrar shall
18 cancel the registration of an individual who fails to file a timely application for the renewal of
19 registration. The cancellation must be without notice or opportunity for hearing. An individual
20 whose registration has been canceled and who desires to reregister must file an initial
21 application, pay the initial application fee, and provide proof of current errors and omissions
22 insurance. An individual registered under this chapter may not engage in any activity under this
23 chapter after June thirtieth of any year unless that individual has a valid registration.

24 **Errors and omissions insurance required of home inspectors - Rules.** The
25 secretary of state shall adopt rules requiring as a condition of registration after July 31, 2005,
26 that a home inspector must carry errors and omissions insurance covering all home inspection
27 activities.